उद्यम को बन्द करने का कोई प्रस्ताव नहीं है। 24 जुलाई, 1991 के औद्योगिक नीति संबंधी वक्तव्य में सरकारी क्षेत्र के उद्यमों के सम्बंध में भी नीति प्रतिपादित की गई है।

1553. [*Transferred to 3rd August, 1992*].

Revision of procedure for raising Foreign Equity

1554. SHRI SURESH KALMADI: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government have approved the revised procedures for raising foreign equity up to 51 per cent in existing companies as part of an expansion programme, or without an expansion programme; and

(b) if so, what are the details of the revised procedures?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) (SHRIMATI KRISHNA SAHI): (a) Yes, Sir. Government have revised the procedure for increase in foreign equity upto 51 per cent in existing companies *vide* Ministry of Industry's Press Note No. 13 (1992 Series), dated 29th June, 1992.

(b) This Press Note spells out the following revised procedures for raising foreign equity upto 51 per cent in existing companies:—

(i) The RBI will accord automatic approval to a company wishing to raise its foreign equity upto 51 per cent as part of an expansion programme provided the expansion is in the high priority (Annex III) area; the additional equity is part of the financing of the expansion programme; and the money is remitted in foreign exchange.

(ii) The RBI will also accord automatic approval to proposals for increasing foreign equity upto 51 per cent without an expansion programme provided the firm is predominantly engaged in high priority industries listed in Annex III of the Statement on Industrial Policy. The increase in equity level must result from expansion of the equity base of the existing company and the foreign equity must be from remittance of foreign exchange.

(iii) On receipt of RBI approval, the company must pass a special resolution under Section 81(I) (A) of the Companies Act proposing preferential allocation of the required volume of fresh equity to the foreign investors.

(iv) Existing companies wishing to raise foreign equty upto 51 per cent can make issues at the price determined by the shareholders in a special resolution under Section 81(I)(A) of the Companies Act. This applies *mutatis mutandis* to closely held companies and also to companies where there is no foreign shareholding at present.

(v) The condition of Dividend Balancing will be applicable only in respect of approvals in the consumer goods sector.

(vi) All other proposals for inducting or raising foreign equity in existing companies which do not meet any or all of the criteria for automatic approval will be subject to usual procedures and require Government approval.

Policy reforms undertaken in industrial sector

1555. SHRI GHUFRAN AZAM:

SHRI SURINDER KUMAR SINGLA:

Will the PRIME MINISTER be pleased to state:

(a) what are the details of major policy reforms undertaken in the In-